

From: eadlerl@greenvillnationalbank.com [<mailto:eadlerl@greenvillnationalbank.com>]  
Sent: Monday, September 27, 2010 9:18 AM  
To: Comments  
Subject: FDIC Proposed Guidance on Overdraft Coverage

Lisa Eadler  
446 S Broadway  
Greenville, OH 45331-1926

September 27, 2010

Comments to FDIC

Dear Comments to FDIC:

By electronic delivery to:  
[OverdraftComments@fdic.gov](mailto:OverdraftComments@fdic.gov)

Federal Deposit Insurance Corporation  
550 17th Street, NW  
Washington, DC 20429-9990

Re: Overdraft Payment Supervisory Guidance, FIL-47-2010, August 11, 2010

Dear Sir or Madame:

Greenville National Bank is an independent community bank located throughout rural Darke County, Ohio.

I strongly oppose the FDIC's proposed guidance (FIL-47-2010) that addresses overdraft coverage programs. My bank has just implemented new requirements under Regulation DD (Truth in Savings) and Regulation E (Electronic Fund Transfers) at great expense and manpower. Many hours were spent getting ready to implement the new regulation. Now is not the time to introduce further regulation targeted at overdraft coverage products. Having to rework our bank's deposit products and to accommodate a regulatory moving target does not help my bank serve its customers.

My bank does not manipulate transaction processing to generate more fees and higher revenue. We have always paid checks smallest amount first. We are accountable to our community and its success is dependent on a trust relationship with our customers.

Any additional rules should be the result of an inter-agency effort to ensure consistency and fairness in its application for both banks and the customers we serve.

If the FDIC proceeds with adoption of the proposed guidance, please consider the following:

To specifically exempt ad hoc programs from this guidance. Ad hoc overdraft coverage is an extension of my bank's customer service and is based on our knowledge of the individual customer. Including ad hoc overdraft coverage in this guidance would damage the relationship between my bank and its customers. We chose the product we offer because of its strict guidelines and adherence to customer service. By implementing the new regulations in August gave the customer a choice. We had an overwhelming positive response from our customers who have opted completely into overdraft protection.

The elimination of the requirement that banks monitor programs for excessive or chronic use (six overdrafts in a rolling twelve month period) and then contact the customer (in person or via telephone) to discuss less costly alternatives. Our program contacts the customer by letter on the first overdraft and sequential days overdrawn-15 and 30 at which time the overdraft protection is suspended. The customer is also contacted by letter at day 45 and closed at day 60 if no deposit is made within this time. This mandate would be extremely burdensome for my bank and would result in an excessive number of calls. Our Collection Department consists of two employees. This would mean additional staff would need to be hired just to handle the additional work that would be required.

To eliminate the requirement to set daily thresholds on overdraft fees. We price this fee to manage the associated risk and as a deterrent to encourage consumers to engage in more financially-responsible practices. We feel if a set daily threshold is implemented customers would actually overdraw their account more knowing they would only be charged for a few items.

To allow banks to charge a fee for returning items paid by check or ACH. Processing return items represent expense and employee attention and should not be provided free of charge.

I urge the FDIC to carefully consider this measure to ensure that the guidance does not impede my bank's ability to provide overdraft coverage services to my customers. If we are forced to abandon or significantly alter these services due to regulatory burden, the result could lead more consumers into becoming unbanked or relying on other products such as prepaid debit cards and check cashing services, which have higher fees and foster unsound financial practices.

Sincerely,

Lisa Eadler